

## **ASSET PURCHASE AGREEMENT**

This Agreement is made and entered into this 10 day of Sept, 2014, by and between United Audio Corporation, a Minnesota corporation (hereinafter sometimes referred to collectively as "Seller" and / or "Seller Corporation" as the case may be), and Hometown Broadcasting of Rochester, Inc., successor in interest to Gregory Jensen ("Buyer").

### **RECITALS:**

- A. Seller is the Federal Communications Commission ("FCC") licensee of, and owns and operates, radio station KNXR, licensed to Rochester, Minnesota (hereinafter referred to as the "Station");
- B. Seller is the owner of the Broadcast Assets (as defined herein) used to operate the Station;
- C. Seller wishes to sell, transfer and assign, and Buyer desires to obtain the Broadcast License (as defined herein) and the Broadcast Assets of the Station on the terms and conditions of this Agreement and that Buyer will use its best efforts to operate the station for 36 continuous months after the FCC assigns the Broadcast License to Buyer; and
- D. The assignment of the Broadcast License issued by the FCC for the operation of the Station may not be assigned to Buyer without the prior written consent of the FCC.
- E. Buyer and Seller agree that completion of the purchase of assets contemplated herein requires Minnesota Public Radio ("MPR") to agree to enter into a lease for the Seller's position on the broadcast tower operated by Silver Creek Tall Tower Associates (SCTTA) pursuant to terms agreeable to Buyer and upon the resolution of the legal claims between Seller, Thomas Jones, and Minnesota Public Radio, all as further described in Paragraph 1.e.(vi) and 1.g.(vii) below; or the purchase of assets requires MPR to permit Buyer to join as a member of SCTTA as an assignee of Seller with all rights and obligations of Seller if Buyer is unable to negotiate a lease with MPR that is satisfactory to Buyer and MPR .
- F. Buyer and Seller agree that the schedules referenced in this agreement and listed at the end of this agreement are not included in this agreement for the purposes of the filing of this agreement with the FCC, but are included in this agreement for the purposes of Buyer's reliance on Seller's representations. The parties understand and

acknowledge that the information contained in the schedules is confidential information that is a valuable and special asset of the parties and needs to be protected from improper disclosure.

NOW THEREFORE, in consideration of the mutual promises and covenants hereinafter contained, and subject to the terms and conditions hereinafter set forth, the parties agree as follows:

1. **DEFINITION OF TERMS.** As used herein, the following terms have the following meanings:

a. "Commission Orders" means Orders of the FCC consenting to the assignment from Seller to Buyer of the Broadcast License.

b. "Final Commission Orders" or "Final Orders" mean that the time for filing a request for administrative or judicial relief, or for instituting administrative review sua sponte, has expired without any such filing having been made or notice of such review having been issued, or in the event of such filing or review sua sponte, the FCC Orders have been reaffirmed or upheld and the time for requesting further review or relief with respect thereto has expired without any such request having been filed.

c. "Closing Date" and "Closing" mean the date and time at which the Broadcast Assets, the Broadcast License and the radio broadcasting business of the Station will be transferred from Seller to Buyer. Subject to the provisions of Paragraph 16 hereof, the Closing Date shall be 10:00 a.m., local time at the Closing Place on a date agreed to by Seller and Buyer not less than five (5) or more than fifteen (15) days after the FCC Orders are Final Orders, or at such time and place as Seller and Buyer mutually agree.

d. "Closing Place" means Rochester, Minnesota, or at such other place as may be agreed to in writing by Seller and Buyer.

e. "Broadcast Assets" means all assets used or held for use by Seller on the date of this Agreement in the operation of the Station, or acquired by such Seller between the date of this Agreement and the Closing Date, including:

(ii) The tangible personal property owned or leased by Seller in and for the operation of the Station, including, without limitation, transmitters, broadcast and studio equipment, supplies, spare parts, furniture, fixtures, machinery, vehicles, inventories, books and records of the stations as more fully described in Schedule A attached hereto, together with any additions thereto made between the date of this Agreement and the Closing Date;

(iii). "Station Contracts", that is, all contracts, agreements, leases and understandings, written and oral, of Seller relating to the Station in existence at the date of this Agreement which Buyer has agreed to assume and copies of which are included in Schedule B attached hereto;

(iv). Prepaid expenses, deposits and deferred charges of the Station determined in accordance with generally accepted accounting principles consistently applied as of the Closing Date.

(v). Goodwill, privileges, licenses including the Broadcast License, permits, copyrights, service marks, trademarks, trade names, investments, rights to the call letters KNXR, or any successor call letters, and other general intangible property rights, owned or held by Seller in and for the operation of the Station or in connection with the Broadcast Assets;

(vi). All other things, real or personal, tangible or intangible, now owned by Seller or acquired by Seller prior to Closing, used or held for use by the Seller in and for the operation of the Station. The Buyer and Seller understand that Buyer and Minnesota Public Radio must come to an agreement and enter into a lease for the broadcast position on the tower operated by the SCTTA, and that Seller's interest in the SCTTA will be resolved through negotiations with MPR to resolve legal claims between MPR and Seller. If Buyer and MPR reach an agreement concerning terms of the assignment of the lease for the broadcast tower position, the Purchase Price on the date of closing will be as stated in Paragraph 4.a. This does not include Seller's interests in the Silver Creek Tall Towers Associates Agreement of Partnership dated October 21, 1985, the Silver Creek Tall Tower Associates Agreement of Understanding & Co-Ownership dated October 21, 1985, the Silver Creek Tall Towers Associates Ground Lease dated October 21, 1985, and the Tower Lease dated October 21, 1985, between Silver Creek Tall Towers Associates and Seller (collectively referred to as the "Silver Creek Agreements"), or any assets held by Tom Jones Recording, LLC

(vii). Alternatively, if Buyer and MPR are unable to enter into a satisfactory agreement to assign the lease of the SCTTA broadcast position on the broadcast tower owned by SCTTA, Buyer and MPR must agree upon terms that would permit the assignment of the Seller's interest in SCTTA and Buyer's interest in SCTTA must be negotiated with MPR. If Buyer and MPR agree to terms for Buyer to acquire Seller's interest in SCTTA, Buyer must also continue to permit Rochester Public Radio to utilize its broadcast position on the tower operated by SCTTA as Seller has done in

the past. If Buyer and MPR reach an agreement concerning the assignment of Seller's interest in SCTTA, then all of the assets or interest of Seller in SCTTA will be transferred on the date of closing with the Purchase Price stated in Paragraph 4.b.

f. "Broadcast License" means the license, permits or other authorizations and renewals thereof issued by the FCC in connection with KNXR or any successor call letters, and any auxiliary Station used with them, and applications with regard to them pending before the FCC, all as shown in Schedule C attached hereto.

g. "Excluded Assets" means those assets, used or held for use by Seller in the operation of the Station that shall be retained by Seller and not sold, assigned or transferred to Buyer, including, without limitation, the following:

- (i) items described in Schedule D attached hereto;
- (ii) claims by Seller with respect to the Excluded Assets and liabilities not assumed by Buyer, including, without limitation, claims for tax refunds and counterclaims with respect to obligations and liabilities not being assumed by Buyer;
- (iii) all of Seller's accounts receivable arising out of Seller's business and operation of the Stations before 12:01 a.m. on the Closing Date;
- (iv) all contracts of insurance;
- (v) all employee benefit plans of any nature;
- (vi) cash on hand and in banks, money market funds and bond funds;
- (vii) conditionally, all assets owned by SCTTA, any ownership interest Seller has in the assets of SCTTA, or any ownership interest Seller has in SCTTA provided Buyer is able to negotiate a lease for a broadcast position on the broadcast tower owned by SCTTA as stated in Paragraph 1.e.(vi), subject to the terms and provisions of Paragraph 1.e.(vii); and
- (viii) any assets of Tom Jones Recording, LLC, required for the operation of the business of Tom Jones Recording, LLC, and its predecessor business operations.

2. **ASSETS TO BE SOLD, CONVEYED AND PURCHASED.** At the Closing, upon the terms and subject to the provisions this Agreement, Seller shall:

a. Convey, assign and transfer or cause to be delivered to Buyer, all the Broadcast Assets of the Station free and clear of all debts, mortgages, liens, security interests, encumbrances or other obligations except those listed in Schedule D attached hereto, but excluding the Excluded Assets as defined herein; and

b. Execute and deliver to Buyer all such general warranty deeds, bills of sale (with full covenants of warranty), assignments, leases and other documents and instruments as may be required by this Agreement and as Buyer and Seller may reasonably request in order to effectuate the transfer and sale of the Broadcast Assets to Buyer as of the Closing Date.

3. **ASSUMPTION OF CERTAIN OBLIGATIONS.**

a. Buyer shall assume on the Closing Date all of the obligations of Seller which are created by or under the Station Contracts listed in Schedule B;

b. The Broadcast Assets shall be transferred to Buyer at Closing free and clear of all obligations incurred by Seller before the Closing Date, including but not limited to all debts, mortgages, liens, security interest, encumbrances and obligations of any sort except those noted on Schedule E hereto; and

c. Seller shall execute and deliver to Buyer at the Closing all documents and instruments as may be required by this Agreement or as Buyer may reasonably request to effectuate assumption of obligations by it.

4. **PURCHASE PRICE AND PAYMENT THEREOF.**

a. The Purchase Price for the Broadcast Assets shall be \$1,100,000.00 if Buyer opts to become a member of SCTTA pursuant to the terms herein.

b. The Purchase Price for the Broadcast Assets shall be \$714,910.00 if Buyer enters into a lease with SCTTA for a broadcast position on the broadcast tower pursuant to the terms herein.

c. The Purchase Price shall be paid as follows:

(i) Cash or collected funds at Closing including \$10,000.00 of earnest money paid upon execution of this Agreement.

c. The purchase price shall be allocated among the Broadcast Assets in the manner described in Schedule F attached hereto.

d. Within a time agreeable to the Parties, they must agree on an election of the assets subject to this Agreement as defined in Paragraphs 1.e.(vii) and 1.g.(viii), as it dictates the purchase price as stated in Paragraphs 4.a. and 4.b.

5. **COMMISSION CONSENT TO ASSIGNMENT OF BROADCAST LICENSES.** Notwithstanding anything herein to the contrary, the terms and

conditions of this Agreement are subject to FCC Orders having been issued, and unless expressly waived by Buyer, having become Final Orders.

6. **APPLICATIONS FOR FCC CONSENT.** Buyer and Seller shall cooperate and use their best efforts expeditiously to prepare, file, amend if necessary, and prosecute an application requesting commission consent to assignment of the Broadcast Licenses in the manner contemplated by this Agreement. Not later than twenty-one (21) days after this Agreement is executed, each of them will file with the FCC its portions of those application. Each shall take all actions and give all notices as may be required or requested by the FCC or as may be appropriate in an effort to obtain and expedite the granting by the FCC of its approval to the assignment of the Broadcast Licenses to the Buyer.

7. **COSTS AND EXPENSES.** Each party shall bear all legal and accounting fees and other costs and expenses incurred by it in connection with this transaction, including preparation and prosecution of FCC applications. Any filing or other fees required by the FCC or other government entity in connection with the assignment of the Broadcast Licenses from Seller to Buyer contemplated by this Agreement will be equally divided between Seller and Buyer.

8. **COVENANTS OF SELLER PENDING CLOSING.** Between the date of this Agreement and the Closing Date, the Station will be controlled and operated by Seller. In addition, Seller covenants and agrees that up to and including the Closing Date:

a. Seller shall continue to carry on the business and operation of the Station in substantially the same manner as heretofore in the ordinary course of business.

b. Seller shall continue to operate the Station in accordance with the terms of the Broadcast License. Seller will deliver to Buyer, promptly after filing, copies of any material, reports, applications or communications with the FCC related to the Station that are filed between the date of this Agreement and the Closing Date.

c. During the period commencing on the date hereof and ending at the Closing Date:

(i) The business and operations of the Station will be conducted only in the ordinary course according to Seller's past practices.

(ii) Seller will not transfer, sell, lease or otherwise dispose of any of the Broadcast Assets of the Station, except for dispositions in the ordinary course of business consistent with past practices.

(iii) Seller will not alter the terms of any Station Contract without the prior written consent of Buyer, which consent shall not be unreasonably withheld.

(iv) Seller will not take any action or fail to take any action that could result in the expiration, revocation suspension or adverse modification of any of the licenses (including Broadcast License) or fail to prosecute with due diligence any applications to or other matters involving the FCC or any other governmental authority material to the business or operations of the Station or the Broadcast Assets.

(v) Seller will not (A) waive any claims or rights with respect to the Station or the Broadcast Assets, except in the ordinary course of business consistent with past practices, (B) make any new financial commitment exceeding \$2,000.00 (for capital expenditures or otherwise) relating to the Station and the Broadcast Assets without written consent of the Buyer, which consent shall not be unreasonably withheld, (C) assume or incur any lien or other encumbrance with respect to or on any Broadcast Assets, (D) alter the policies or practices of the Station with respect to billing and collections, or (E) except in the ordinary course of business consistent with past practices, enter into any agreement that is material to the business or operations of the Station or the Broadcast Assets.

(vi) Seller will not modify in any material respect the broadcast hours or the programming or make any material changes in the programming policies or formats of the Station, except for such modifications and changes which may, in the good faith judgment of Seller, be required by the public interest.

(vii) Seller will maintain in good operating condition and repair the Broadcast Assets.

(viii) Seller will not enter into any trade or barter agreements except upon the prior written approval of Buyer.

d. Prior to the Closing, Seller will remain responsible for the control and operations of the Station and the FCC Licenses.

e. At the reasonable request of Buyer, Seller shall from time to time give or cause to be given to the officers, employees, accountants, counsel and accredited representatives of Buyer (a) reasonable access during normal business hours to all facilities, property, accounts, books, deeds, title papers, licenses, agreements,

contracts, tax information, records and files of every character, equipment, machinery, fixtures, furniture, vehicles, notes and accounts payable and receivable and inventories related solely to the Station, and (b) all such other information and property access solely concerning the affairs of the Station as Buyer may reasonably request.

f. Seller shall render accurate at and as of the Closing Date the representations and warranties made by it in this Agreement. Seller shall give written notice to Buyer promptly upon the occurrence of or becoming aware of any information of the impending or threatened occurrence of any event that would cause or constitute a material breach or otherwise render any representation or warranty false, or would have caused a material breach or rendered any representation or warranty false, had such event occurred or been known to Seller prior to the date hereof, of any representations or warranties contained in this Agreement.

g. Subject to the provisions of this Agreement, Seller will take all necessary corporate and other action required of it to carry out the transactions contemplated by this Agreement.

h. Seller will cooperate with Buyer to obtain or cause to be obtained, prior to the Closing Date, consents to the assignment to or assumption by Buyer of all of the Station Contracts that require the consent of any third party by reason of the transactions provided for in this Agreement.

i. If for any reason the transactions contemplated in this Agreement are not consummated, Seller shall not disclose to third parties any information designated as confidential and received from Buyer or its agents in the course of investigating, negotiating and completing the transactions contemplated by this Agreement. Nothing shall be deemed to be confidential information that (a) is known to Seller at the time of its disclosure to it, (b) becomes publicly known or available other than through disclosure by Buyer, (c) is rightfully received by Seller and/or Buyer from a third party, or (d) is independently developed by Seller.

j. Seller shall use all reasonable efforts to fulfill and perform all conditions and obligations on their parts to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

k. Seller agrees to promptly notify the opposite party in writing upon becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement, or the transactions



contemplated hereunder, or upon receiving any notice from any governmental department, court, agency or Commission of its intention to institute an investigation into, or institute any action or proceeding to restrain or enjoin, the consummation of this Agreement, or such transactions, or to nullify or render ineffective this Agreement, or such transactions if consummated.

9. **COVENANTS OF BUYER PENDING CLOSING.** Buyer

covenants and agrees that from the date hereof, up to and including the Closing Date,

a. Buyer shall render accurate at and as of the Closing Date the representations and warranties made by it in this Agreement. Buyer shall give written notice to Seller promptly upon the occurrence of or becoming aware of the impending or threatened occurrence of any event which would cause or constitute a material breach, or would have caused a material breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement.

b. Subject to the provisions of this Agreement, Buyer will take all necessary business and other action required of it to carry out the transactions contemplated by this Agreement.

c. If for any reason the transactions contemplated in this Agreement are not consummated, Buyer shall not disclose to third parties any proprietary information received from Seller or its agents in the course of investigating, negotiating and completing the transactions contemplated by this Agreement. Nothing shall be deemed to be proprietary information which (a) becomes publicly known or available other than through disclosure by Buyer, (b) is rightfully received by Seller from a third party, or (c) is independently developed by Seller.

d. Buyer shall use all reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

e. Buyer will promptly notify Seller in writing upon becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement, or the transactions contemplated hereunder, or upon receiving any notice from any governmental department, court, agency or commission of its intention to institute an investigation into, or institute any action or proceeding to restrain or enjoin the consummation of this Agreement, or such

transactions, or to nullify or render ineffective this Agreement, or such transactions if consummated.

10. **TIME FOR FCC CONSENT-TERMINATION.** Either Buyer or Seller, if not then in material breach of this Agreement, may withdraw from this Agreement upon giving ten (10) days written notice to the other party, if:

a. The FCC issues an order designating for evidentiary hearing the applications requesting FCC consent to assignment of the Broadcast Licenses, or

b. After diligent prosecution by Buyer and Seller, no Final Orders are issued within eighteen (18) months of the date applications requesting FCC consent to assignment of the Broadcast Licenses are filed.

In such event, Buyer and Seller shall, following the expiration of such ten (10) day period, be released and discharged of all obligations hereunder and any earnest money deposit paid by Buyer shall be returned to Buyer.

11. **REPRESENTATIONS AND WARRANTIES OF SELLER.** Seller makes the following representations and warranties to Buyer:

a. Seller shall have the following Standing and Authority at the time of Closing:

(i) Seller is now, and on the Closing Date shall be, a corporation duly organized, validly existing and in good standing under the laws of the State of Minnesota and has all power and authority to enter into this Agreement and to carry out the transactions contemplated hereby.

(ii) This Agreement is, and on the Closing Date shall be, the valid, legally binding, and enforceable obligation of Seller. Neither the making nor performance of this Agreement by Seller nor the consummation by Seller of the transactions contemplated hereby shall constitute a default under any contract or commitment to which Seller is a party or by which it is bound, or has resulted or will result in the creation or imposition of any lien or encumbrance in favor of any third party with respect to any of the Broadcast Assets.

b. Seller shall transfer the Broadcast Assets with good and marketable title as of Closing free and clear of all debts, mortgages, liens, security interests, encumbrances or other obligations whatsoever which might impair such marketability.

c. The financial statements which have been and will be furnished by Seller to Buyer are true and correct and fairly present, based upon generally accepted accounting principles, the financial position of the Station at the time the statements were prepared.

d. Schedule B comprises a complete list or description of all Station Contracts which Buyer has agreed to assume. Between the date of this Agreement and the Closing, Seller shall not assume or enter into any other material contracts, agreements, leases and understandings not (i) expressly approved in advance by Buyer, (ii) cancelable at Buyer's option at no expense to Buyer, except contracts for the sale of broad cast time entered into in the normal course of business at Seller's normal rates. Seller is not in material breach or default on any of the Station Contracts, and there is no claim of such breach or default known to Seller.

e. Seller is now, and will be at the Closing, the licensee of the Station. Schedule C is a true and complete list of all Broadcast Licenses currently held by Seller for the Station. The Broadcast Licenses are free and clear of legal disqualifications and of restrictions of such nature as would limit the operation of the Station currently being conducted. There are no competing applications, petitions to deny complaints or proceedings known by Seller to be pending or threatened before the FCC and relating to the business and operation of the Station.

f. The Station's transmitting and studio equipment is now, and at the Closing Date shall be, operating and operable (i) in full compliance with all applicable laws and regulations, including the FCC's rules and regulations and (ii) at the Station's maximum authorized facilities.

g. All of the Broadcast Assets which are of an insurable character are insured above reasonable deductible limits against loss or damage by fire and other risks to the extent and in the manner customary for such Broadcast Assets. Seller will maintain such insurance in force until the Closing.

h. The Station is, and at the Closing Date shall be, in compliance with all applicable federal, state and local laws, ordinance and regulations. Seller agrees that prior to the Closing Date, if it becomes aware of any violations of the Communications Act of 1934, as amended, or of the rules and regulations of the FCC, it shall remove all such violations or be responsible for the costs of removing such, including the payment of any forfeitures which may be assessed before or after Closing for any such violations.

i. Seller has, in the conduct of the affairs of the Station, complied with applicable laws, rules, regulations and policies relating to the employment of labor, and is not liable for any arrears of wages or any tax or other penalties for failure to comply with any of the foregoing. As of the date of this Agreement, there are no claims pending or threatened between Seller and any of its employees. Between the date of this Agreement and the Closing, no wage, salary or expense allowance increases shall be granted by Seller in respect of the Station. Any bonuses promised by Seller to any employee of the Station shall be paid by Seller prior to the Closing Date.

j. Until the Closing Date, Seller shall use its best efforts to maintain, preserve and foster the reputation of the Station, the quality of its programming, its business organization and makeup, its clients and business reputation, its net revenues and net revenue potential and keep available to the Station the services of its present employees.

k. Between the date hereof and the Closing Date, Seller shall not transfer, convey or assign to any other person any of the Broadcast Assets.

l. Other than as set forth on the attached Schedule G, there are no judgments, actions, suits, judicial or administrative proceedings, or governmental investigations pending which could adversely affect the authority or ability of Seller to enter into this Agreement and to carry out the transactions contemplated hereby; or which could adversely affect the right, title and interest of Seller in the Broadcast Assets. Seller is aware of no such judgments, actions, suits, proceedings or investigations threatened or contemplated but not yet commenced, or of circumstances which might give rise to such judgments, actions, suits, proceedings or investigations.

m. Exhibit H, attached hereto, is a complete list of all persons employed at the Station, together with the present compensation rate (including commissions, bonuses and any other incentive or expected compensation) of each, and a description of all material compensation or personnel benefit policies in effect for the Stations, including bonus arrangements, pension or profit sharing plans, company contributions to group hospitalization and life insurance plans and vacation and sick leave policies. As of the Closing Date, Seller shall have paid to, or on behalf of, the Station's employees all wages and salaries earned, including commissions, bonuses and incentive compensation, amounts for vacations carried over from any prior vacation year and all employee benefit amounts. The affirmative action program for the Station and other

employment practices of Seller comply with the FCC's rules and regulations in all material respects.

n. Seller has and as of the Closing Date, shall have paid and discharged all federal, state and local taxes, assessments, excises, levies and other charges levied or imposed upon or in connection with the Station or its operation that are payable as of the Closing Date; provided, however, that property taxes shall be prorated pursuant to Section 15 hereof.

o. Trade-Out/Auction Agreements. To Seller's knowledge, all trade-out and auction agreements that is, arrangements for the exchange of advertising time for which Seller has received, or will receive, the benefit from any such agreement, are listed on Schedule I attached hereto. Seller shall use its best efforts to cause advertisers to use, prior to the Closing Date, the broadcast time available under those agreements. In the event that the trade-out and auction advertising to be run by Buyer subsequent to the Closing under said agreements in the aggregate exceeds \$5,000.00 the purchase price shall be adjusted at Closing by such excess.

p. That (i) no hazard or toxic waste, substance or material, as those or similar terms are defined in or for purposes of applicable federal, state and local environmental laws, and including without limitation any asbestos or asbestos-related products, oils or petroleum derived compounds, CFCs, or PCBs, ("Hazardous Material") is located on, under or about the Broadcast Assets of the Station; (ii) Said Broadcast Assets have not been used for the manufacture, treatment, storage, or disposal of any Hazardous Material in violation of applicable law; and (iii) Buyer is not liable for any response or cleanup costs with respect to the discharge, emission, or release of any Hazardous Material because of Seller's occupation, use, or operation of said Broadcast Assets and Seller shall indemnify and hold Buyer harmless from any such liability.

q. All utilities that are necessary for the Sellers' present operation of the Station have been connected to the Broadcast Assets and are in good working order and none of those utility lines cross the lands of others except where appropriate easements or licenses have been obtained.

12. **REPRESENTATIONS AND WARRANTIES OF BUYER.** Buyer makes the following representations and warranties to Seller:

a. Standing and Authority.

(i) Buyer is now and on the Closing Date shall be legally capable of executing the purchase as an individual or will form a corporation or other business organization duly organized, validly existing and in good standing under the laws of the State of Minnesota, with all corporate power and authority to carry out the transactions contemplated hereby, and is qualified to be an FCC licensee.

(ii) This Agreement is the valid, legally binding and enforceable obligation of Buyer. Neither the making nor performance of this Agreement by Buyer nor the consummation of the transactions contemplated hereby by Buyer will constitute a default under any contract or commitment to which Buyer is a party or by which it is bound.

b. Litigation. There are pending no judgments, actions, suits, judicial or administrative proceedings, or governmental investigations which could adversely affect Buyer's power, authority or ability to enter into this Agreement and Buyer's power, authority or ability to carry out the transactions contemplated hereby, and Buyer is aware of no such judgments, actions, suits, proceedings or investigations threatened or contemplated but not yet commenced, or of any circumstances which might give rise to such actions, suits proceedings or investigations.

13. **LIABILITIES.** The Broadcast Assets shall be sold and conveyed to Buyer free and clear of all liabilities (which includes any balance owed for services previously rendered) obligations, liens, security interests and encumbrances, except for liens for property taxes not yet due and payable. Buyer does not assume and will not be liable for any such liability, obligation, claim, lien, security interest or encumbrance of Seller other than those described on Schedules B and E attached hereto.

14. **INDEMNIFICATIONS.**

a. Except with respect to those liabilities assumed under Section 13 above, Seller hereby agrees, to indemnify and hold Buyer and its successors and assigns, harmless from and against:

(i) Any and all claims, liabilities and obligations of any kind or nature, contingent or otherwise, arising from the operation of the Station prior to Closing, including, but not limited to, Sellers' streaming of programming in the Internet, Sellers' storage of property for third parties on or about said real property and any and all claims, liabilities and obligations arising or required to be performed prior to Closing under any

lease, contract or agreement assumed by Buyer hereunder, except as otherwise provided herein;

(ii) Any and all damage or deficiency resulting from any material misrepresentation, any material breach of warranty, or any material non-fulfillment by Seller prior to Closing of any agreement or obligation assumed by Buyer under this Agreement, or from any material misrepresentation in, or material omission from, any certificate or other instrument furnished by Seller to Buyer under this Agreement or in connection with any of the transactions contemplated hereby; and

(iii) Any and all judgments, actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees incurred by Buyer as a result of Seller's failure or refusal to compromise or defend any claim incident to the foregoing provisions; and

b. If any claim or liability shall be asserted against Buyer which would give rise to a claim by Buyer against Seller for indemnification under the provisions of this paragraph, Buyer shall promptly notify Seller in writing of the same and Seller shall be entitled at its own expense to compromise or defend any such claim. If, after giving such notice to Seller involving any claim that would have the effect of shutting down the operation of the Station and Seller has failed to resolve the claim prior to such shutdown, Buyer may pay such claim and deduct the amount thereof from any monies due Seller.

c. Buyer hereby agrees to indemnify and hold Seller and its successors and assigns harmless from and against:

(i) Any and all claims, liabilities and obligations of any kind or nature, contingent or otherwise, arising from or relating to the operation of the Station subsequent to the Closing hereunder including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed subsequent to the Closing under any lease, contract or agreement assumed by Buyer hereunder;

(ii) Any and all damage or deficiency resulting from any material misrepresentation, material breach of warranty, or material non-fulfillment of any agreement or obligation assumed under this Agreement, or from any material misrepresentation in or material omission from any certificate or other instrument furnished by Buyer to Seller pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(iii) Any and all judgments, actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees

fees incurred by Seller as a result of Buyer's failure or refusal to compromise or defend any claim incident to the foregoing provisions; and

(iv) Any claim pertaining to Buyer's assumption of liabilities pursuant to Section 13.

d. If any claim or liability shall be asserted against Seller which would give rise to a claim by Seller against Buyer for indemnification under the provisions of this paragraph, Seller shall promptly notify Buyer of the same and Buyer shall be entitled at his own expense to compromise or defend any such claim.

## 15. ADJUSTMENTS.

a. Seller shall be responsible for all expenses incurred in connection with the business and operations of the Station prior to 12:01 a.m. of the Closing Date, including, without limitation, business and license fees (and any retroactive adjustments thereof), music license fees, utility charges, real and personal assets, property and equipment rentals, applicable copyright or other fees, sales and service charges, taxes (except for taxes arising out of the transfer of the Broadcast Assets hereunder), commissions, wages, all prepaid items, deferred charges, advance payments, rights of offset and credits of all kinds, deposits and warranty rights and claims. Seller shall retain all existing deposits currently held by Seller. Buyer shall be responsible for all such expenses incurred in connection with the business or operation of the Station on and after 12:01 a.m. of the Closing Date.

b. Seller shall be entitled to all income earned in connection with the business and operations of Station prior to 12:01 A.M. of the Closing Date and Buyer shall be entitled to all income earned in connection with the business and operations of the Stations on and after 12:01 A.M. of the Closing Date. Notwithstanding the foregoing, for all income earned in connection with the business and operation of the Station for the broadcast month containing the Closing Date, such income shall be divided between Seller and Buyer in the following manner: Each party shall be entitled to a share of said month's income equal to a fraction thereof, the denominator of which is the total number of days in the broadcast month and the numerator of which is (i) for the Seller, the number of days in such broadcast month prior to the Closing Date, and (ii) for the Buyer, the number of such days on and after the Closing Date.

c. All items of income and expense directly relating to the business or operation of the Station, other than (i) the income and expenses referred to above,



and (ii) any capital expenditures specifically requested by Buyer prior to the Closing Date shall be pro-rated between Seller and Buyer as of the close of business on the day preceding the Closing Date. Such items to be pro-rated shall include, without limitation, power and utility charges, personal property taxes, real property taxes and obligations for performance rights licenses issued by ASCAP, BMI or SESAC.

d. The pro-ration and adjustments provided for in this Section 15 to the extent practicable, shall be made on the Closing Date. As to those pro-rations and adjustments not capable of being ascertained on the Closing Date, an adjustment and pro-ration shall be made within sixty (60) days after the Closing Date.

e. In the event of any disputes between the parties as to such adjustments, the amounts not in dispute shall nonetheless be paid at the time provided in subsection (d) above, and such disputes shall be determined by an independent certified public accountant mutually acceptable to the parties whose determination shall be final, and the fees and expenses of such accountant shall be borne equally by Seller and Buyer.

#### 16. **RISK OF LOSS.**

a. The risk of any loss or damage to the Broadcast Assets shall be on Seller at all times prior to Closing and thereafter shall be on the Buyer. In the event of any pre-Closing loss or damage, Seller shall repair, replace or restore the Broadcast Assets as soon as possible, provided, however, that if such loss or damage is caused by Buyer's negligence, Buyer shall indemnify Seller for the value of such loss or damage.

b. Subject to the provisions of Sections 11(f) and 22 hereof, if any event occurs prior to Closing which prevents broadcast transmission of the Station in its usual and customary manner in accordance with its licensed parameters and the Standards of Good Engineering Practices, and Seller cannot restore the facilities so that such transmission can be resumed within five (5) days thereafter and such event was not caused by the negligent or intentional act or omission of Buyer, Buyer shall have the option to (i) terminate this Agreement, (ii) postpone the Closing until such time as the Broadcast Assets have been repaired, replaced or restored so that, in Buyer's discretion, such broadcast transmission may continue, or (iii) elect to consummate the Closing and accept the Broadcast Assets in an "As Is" condition with an assignment by Seller to Buyer of any insurance monies paid or payable to Seller with respect thereto.

c. Subject to Section 22 hereof, this Agreement may be terminated at any time prior to the Closing Date by:

(i) the mutual consent of all parties hereto;

(ii) Seller if any of the conditions provided in Section 19 have not been met by the time required and have not been waived, provided Seller is not in material breach at the time;

(iii) Buyer, pursuant to Section 16(b) or if any of the conditions provided in Section 18 have not been met by the time required and have not been waived, provided Buyer is not in material breach at the time;

(iv) any non-defaulting party if the other party within fifteen (15) days after the execution of this Agreement has not placed on file with the FCC its portion of substantially complete applications for FCC consent to the transfer or assignment of the Broadcast Licenses, provided that the non-defaulting party has used its best efforts to cooperate in the preparation of said applications;

(v) any non-defaulting party hereto if the FCC has denied the transfer or assignments contemplated by this Agreement.

No termination pursuant to this Section 16(c) shall relieve any party of any liability it would otherwise have for breach of this Agreement.

17. **COLLECTION OF ACCOUNTS RECEIVABLE.** Seller hereby appoints Buyer its agent for a period of three (3) months following the Closing Date to collect the Station's accounts receivable owing to Seller as of the Closing Date ("Accounts Receivable"). Said Accounts Receivable shall be listed in Schedule J attached hereto. Any amounts collected by Buyer from persons who are also indebted to Buyer shall first be applied to the Accounts Receivable of Seller to be collected by Buyer on Seller's behalf. On a weekly basis for this three (3)-month period Buyer shall pay over to Seller all amounts collected by Buyer pursuant to this Section 17. Buyer shall make reasonable efforts to collect all Accounts Receivable owed to Seller, but shall not be required to resort to legal action for that purpose. Buyer shall promptly report to Seller any disputed items with respect to such assigned accounts receivable and shall cooperate with Seller in resolving such disputed items. Buyer shall not, without the prior consent of Seller, compromise any accounts receivable owed to Seller. During this three (3)-month period Seller shall not institute litigation nor resort to unusual collection efforts relating to such accounts receivable without the prior consent of the Buyer, which consent shall not be unreasonably withheld. After the end of said three (3)-month period, Seller shall be free

to take such collection efforts relating to such Accounts Receivable as it deems necessary.

Upon the expiration of the three-month period, Buyer shall turn over all such unpaid Accounts Receivable to Seller and Buyer shall have no further responsibility with respect to any such Accounts Receivable of Seller.

**18. CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS.** If, at the Closing Date, the following conditions are satisfied, and subject to the other provisions of this Agreement, Buyer shall be obligated to purchase the Broadcast Assets to the extent set forth and in accordance with the terms and conditions of this Agreement:

a. The representations and warranties of Seller contained in this Agreement shall be true in all material respects as of the Closing Date as though made on such date, except for changes permitted by this Agreement. Seller shall have performed and complied with all obligations and covenants required by Seller by this Agreement to be performed or complied with on or prior to the Closing Date.

b. Seller shall have delivered to Buyer the Closing Documents required by this Agreement.

c. There is not on the Closing Date any litigation, judgment, proceeding or investigation before any administrative or judicial body, federal, state or local, pending, or to the knowledge of Seller, threatened which would impair materially the ability of Seller to carry out the provisions of this Agreement, except the pending litigation with MPR, and judgments in favor of the IRS, BMI, and other debts as described in Schedules E and G, which will be satisfied at closing as stated in Schedule K subject to any additional notification or publication of creditors as required by law.

d. The Broadcast License shall be in the name of Seller and be free and clear of material conditions, competing applications, petitions to deny, complaints, appeals or any material restrictions as might limit the operation of the Station as presently authorized except any conditions or restrictions that appear on the face of the Broadcast License or are imposed by FCC rules.

e. The Station shall be (i) operating and operable in full compliance with all applicable laws and regulations, including but not limited to the FCC's rules and regulations and (ii) operating and operable at each Station's maximum authorized facilities.

f. On the Closing Date, each person or entity whose consent to or approval of the sale, conveyance, transfer and assignment of the Broadcast Assets or any material part thereof to Buyer as herein provided is then required, shall have duly consented or approved such sale, conveyance, transfer and assignment, except insofar as such consent or approval shall have been expressly waived by Buyer.

g. The FCC Orders shall have been issued and, unless expressly waived by Buyer, have become Final Orders.

h. Buyer shall have obtained, upon terms and conditions satisfactory to Buyer, in its sole discretion, financing in an amount sufficient to meet Buyer's obligations to Seller under this Agreement.

19. **CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS.** If, at the Closing Date, the following conditions are satisfied, Seller shall be obligated to sell the Broadcast Assets and assign the Broadcast License to the extent set forth in accordance with terms and conditions of this Agreement:

a. The representations and warranties of Buyer contained in this Agreement shall be true in all material respects as of the Closing Date as though made on such date, except for changes permitted by this Agreement. Buyer shall have performed and complied with all obligations and covenants required by Buyer by this Agreement to be performed or complied with by Buyer on or prior to the Closing Date.

b. All payments under this Agreement which are due and payable to Seller on the Closing Date shall have been paid in accordance with the terms of this Agreement.

c. Buyer shall have delivered to Seller the Closing Documents required by this Agreement.

d. FCC Orders. The FCC Orders shall have been issued.

20. **CLOSING DOCUMENTS TO BE DELIVERED TO BUYER.** On the Closing Date and at the Closing Place, the following documents shall be delivered to Buyer by Seller in form and substance satisfactory to both parties:

a. Assignment of the lease for the broadcast position on the broadcast tower maintained by SCTTA, dated the Closing Date, executed by Seller, or such other person or entity, vesting in Buyer all rights applicable, or formerly applicable, to Seller to operate on the tower, free and clear of and from any and all encumbrances and liens

except those listed in Schedule E hereto; or, in the alternative, the assignment of all of Seller's interest in the SCTTA dated the Closing Date, executed by Seller, or such other person or entity, vesting in Buyer all rights applicable, or formerly applicable, to Seller to operate as a member of SCTTA, free and clear from any and all encumbrances and liens except those listed in Schedule E attached hereto.

b. Bills of Sale in form satisfactory to Buyer, dated the Closing Date, executed by Seller, or such other entity, in such reasonable detail as Buyer may request, with general covenants of warranty, conveying to Buyer good title to the Broadcast Assets set forth in Schedule A and otherwise included under the definition of Broadcast Assets.

c. Assignments in form satisfactory to Buyer, dated the Closing Date, executed by Seller, conveying to Buyer all right, title and interest in all Station Contracts, set forth in Schedule B, together with such approvals as may be required to effectuate the assignments.

d. Assignment instruments in form satisfactory to Buyer, dated the Closing Date, appropriately executed, assigning the Broadcast License, set forth in Schedule C, to Buyer.

e. Such other assignments, documents and instruments as required by this Agreement or as counsel for Buyer may reasonably require.

f. A certificate signed by all Sellers dated the Closing Date, certifying to the fulfillment of the conditions set forth in Section 18(a).

g. A certificate dated the Closing Date of the corporate secretary of Seller as to resolutions of the Seller Corporation relating to this Agreement and the transactions contemplated thereby.

h. An opinion of Seller's legal counsel to the best of Seller's legal counsel's knowledge, in form satisfactory to counsel for Buyer, dated the Closing Date to the effect that:

(i) Seller is a corporation duly organized and in good standing under the laws of the State of Minnesota;

(ii) The execution of this Agreement by Seller and the performance by Seller of the various terms and provisions hereof have been duly authorized by proper corporate action and Seller has the authority and power to complete the transactions provided herein and that the consummation of the transaction contemplated hereunder shall not constitute a default under any contract or commitment to which Seller is a party or by which it is bound.

(iii) This Agreement has been duly executed by Seller and the obligations hereunder are valid and in force against Seller in accordance with the terms hereof; and

(iv) There are no administrative or judicial actions, judgments, suits or proceedings pending or, to the best of counsel's knowledge and belief, threatened against Seller which could materially adversely affect Seller's ability to carry out this Agreement, other than what is listed and disclosed in Schedules E and G.

(v) Seller is the licensee of the Broadcast License which is free and clear of restrictions of such nature as would materially limit the full operation of the Station, except any conditions or restrictions that appear on the face of the Broadcast License or are imposed by FCC rules, and there are no applications, petitions to deny, complaints or proceedings pending or, to the best of counsel's knowledge and belief, threatened before the FCC relating to the business and operation of the Station.

21. **CLOSING DOCUMENTS TO BE DELIVERED TO SELLER.** On the Closing Date and at the Closing Place, Buyer shall deliver to Seller:

- a. The purchase price required under Section 4 of this Agreement.
- b. Assumptions by which Buyer shall assume the Station Contracts and Broadcast License.
- c. A certificate dated the Closing Date of the corporate secretary of Buyer as to resolutions of Buyer relating to this Agreement and the transactions contemplated hereby.
- d. A certificate of Buyer, dated the Closing Date, certifying to the fulfillment of the conditions set forth in Section 19(a).
- e. An opinion of Buyer's legal counsel, to the best of Buyer's legal counsel's knowledge, in form satisfactory to counsel for Seller, dated the Closing Date to the effect that:
  - (i) Buyer is a corporation duly organized and in good standing under the laws of the State of Minnesota.
  - (ii) The execution of this Agreement by Buyer and the performance by Buyer of the various terms and provisions hereof have been duly authorized and Buyer has the authority and power to complete the transactions provided for herein; and

(iii) This Agreement has been duly executed by Buyer and the obligations hereunder are valid and in force against Buyer in accordance with the terms hereof.

(iv) There are no administrative or judicial actions, suits or proceedings pending or, to the best of Buyer's knowledge and belief, threatened against Buyer which could materially adversely affect its ability to carry out this Agreement.

**22. DEFAULT AND REMEDIES ON DEFAULT.**

a. In the event of a material breach by Buyer of any term or condition of this Agreement or any warranty or representation contained herein or in the Schedules attached hereto, Seller may pursue all remedies at equity and at law as are determined by it, including the right to specific performance. The rights conferred by this paragraph may not be exercised unless Seller has given Buyer thirty (30) days written notice of the specific nature of the breach and Buyer has failed, within that thirty (30)-day period to correct it or initiate corrective action that will result in a cure of said breach within a reasonable time thereafter.

b. In the event of a material breach by Seller of any term or condition of this Agreement or any warranty or representation contained herein or in the Schedules attached hereto, Buyer may pursue all remedies at equity and at law as are determined by it, including the right to specific performance. The rights conferred by this paragraph may not be exercised unless Buyer has given Seller thirty (30) days written notice of the specific nature of the breach and Seller has failed, within that thirty (30)-day period, to correct it or initiate corrective action that will result in a cure of said breach within a reasonable time thereafter.

**23. BROKERAGE.** Any fee or commission in the nature of finder, originator or broker fee in connection with the subject matter of this Agreement shall be paid by the party who retained such person or entity.

**24. NOTICE.** All necessary notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be deemed duly given if mailed by registered or certified mail, postage prepaid, addressed as follows:

If to Buyer: Hometown Broadcasting of Rochester, Inc.  
Attention: Gregory Jensen  
Jensen Real Estate & Auctioneer Services  
111 E. Clark Street  
Albert Lea, Minnesota 56007

Copy to: John Haried  
Christian & Peterson, P.A.  
314 S. Broadway Ave.  
Albert Lea, Minnesota 56007  
Fax: (507) 373-7295

If to Seller: United Audio Corporation  
Attention: Thomas H. Jones  
1620 Greenview Drive SW  
Rochester, Minnesota 55902  
Fax: (507) 288-4531

Copy to: Raymond L. Hansen  
O'Brien & Wolf, LLP  
206 South Broadway, Suite 611  
PO Box 968  
Rochester, MN 55903-0968  
Fax: 507-281-4778

25. **SURVIVAL OF TERMS.** The provisions hereof which are to be performed after the Closing and the several covenants, representations, warranties and agreements of the parties herein contained shall survive the Closing.

26. **ENTIRE AGREEMENT.** This Agreement and its schedules, including all executed counterparts, embody the entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any prior agreement or understanding among them with respect to the subject matter hereof. No provisions hereof may be amended, modified, terminated or revised except by a writing signed by all the parties.

27. **GOVERNING LAW.** This Agreement shall be construed and governed in accordance with the laws of the State of Minnesota.

28. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns. Buyer shall have the right to assign its interest in this Agreement to an



entity controlled by Buyer. Otherwise, this Agreement may be assigned by either party upon receipt of written approval by the other party and such approval shall not be unreasonably withheld.

29. **OTHER DOCUMENTS.** The parties shall execute such other documents as may be necessary for the implementation and consummation of this Agreement and each party agrees to take such action as is reasonably required to correct any ministerial errors contained in this Agreement or any document utilized in the consummation of the transactions contemplated herein.

30. **HEADINGS.** The headings of the sections of this Agreement are for convenience and reference only, do not form a part hereof and do not modify interpret or construe the meanings or intentions of the parties.

31. **SEVERABILITY.** In the event that any provision of this Agreement is found by a court, agency or other entity of competent jurisdiction to be illegal, invalid, or unenforceable, such provisions shall be severed from the Agreement, and all other provisions of the Agreement shall remain in full force and effect.

32. **PUBLIC ANNOUNCEMENTS.** No public announcement or press release concerning the transactions provided for herein shall be made by Seller or Buyer without the prior written approval of the other party.

33. **COUNTERPARTS.** This Agreement may be executed in identical counterparts, and each such document shall be deemed to be an original instrument, but all counterparts hereof taken together shall constitute a single document. Counterparts may be delivered by facsimile and shall constitute an enforceable document provided that an original signature shall be delivered within seven (7) days after delivery of the facsimile copy.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

**UNITED AUDIO CORPORATION**

By: Thomas H. Jones  
Thomas H. Jones,  
as President of United Audio Corporation

**HOMETOWN BROADCASTING OF ROCHESTER, INC.**

By: Gregory Jensen  
Gregory Jensen  
as President of Hometown Broadcasting or Rochester, Inc.,  
successor to Gregory Jensen

## SCHEDULES

- A. Tangible Personal Property
- B. Station Contracts
- C. Broadcast Licenses
- D. Excluded Assets
- E. Debts, Mortgages, Liens, Security Interests, Encumbrances and  
Other Obligations Assumed By Buyer
- F. Purchase Price Allocation
- G. Litigation, Administrative Proceedings & Investigations
- H. Employee List
- I. Trade-Out Agreements
- J. Accounts Receivable
- K. List of Disbursements To Be Paid at Closing

## CONSULTING AGREEMENT

This Agreement is made this 3<sup>rd</sup> day of October, 2014, by and between Hometown Broadcasting of Rochester, Inc. ("Company"), a corporation organized and existing under the laws of the State of Minnesota, and Thomas Jones (the "Consultant").

WHEREAS, the Company desires that the Consultant provide advice and assistance to the Company; and

WHEREAS, the Consultant desires to provide such advice and assistance to the Company under the terms and conditions of this Agreement;

NOW, THEREFORE, the Company and the Consultant hereby agree as follows:

### 1. Consulting Services

- (a) Subject to the terms and conditions of this Agreement, the Company hereby retains Consultant as a consultant and technical advisor to perform the consulting services specifically set out in Exhibit A attached to this Agreement and made a part hereof (hereafter referred to as the "Services"), as said Exhibit may be amended in writing from time to time, and Consultant agrees, subject to the terms and conditions of this Agreement, render such Services during the term of this Agreement. Such services shall be limited to the area of expertise described in Exhibit A (the "Field"), as amended in writing from time to time. Consultant shall render services hereunder at such times and places as shall be mutually agreed by Company and Consultant. Company can terminate this Consulting Agreement at any time after payment of Consultant's compensation in Paragraph 2 below upon written notice to Consultant.

### 2. Compensation and reimbursement.

In consideration of the services to be provided by Consultant to the Company hereunder, the Company shall pay to Consultant \$100,000.00 (one hundred thousand dollars) at the time of Company's purchase of the assets of United Audio Corporation pursuant to the Purchase Agreement dated September 10, 2014.

### 3. Term

- (a) This Agreement shall remain in effect for a term of one (1) year commencing on the date first written above, unless sooner terminated as hereinafter provided, or unless extended by agreement of the parties.
- (b) This Agreement may be terminated by either Company, with or without cause, upon prior written notice to the Consultant. Contractor's fee is considered earned by both parties on the day that it is paid. Consultant is not obligated to return any compensation to Company regardless of termination by Company.

#### 4. Other Agreements

- (a) No alteration or modification of this Agreement, including Exhibit A hereto, shall be valid unless made in writing and executed by Consultant and the Company and assented to by HMS.
- (b) The laws of the State of Minnesota shall govern this Agreement.
- (c) Any notice or other communication by one party to the other hereunder shall be in writing and shall be given, and be deemed to have been given, if either hand delivered or mailed, postage prepaid, certified mail (return receipt requested), or transmitted by facsimile, addressed as follows:

If to Consultant:

Thomas Jones  
519 4<sup>th</sup> Street NW  
Rochester, MN 55901

If to the Company:

Hometown Broadcasting of Rochester, Inc.  
c / o Gregory Jensen  
109 E. Clark Street  
Albert Lea, MN 56007

- (d) The parties acknowledge that the Services are personal in nature, and that from Consultant's perspective the specific identity of the Company, including its leadership, corporate culture, scientific staff and reputation, is material to Consultant's choice to enter into this Agreement.

Therefore the parties expressly agree that no party may assign this Agreement without the written consent of the other.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below.

Thomas H. Jones  
Thomas Jones

October 3, 2014  
[Date]

**Hometown Broadcasting of Rochester, Inc.**

By: Gregory Jensen  
Gregory Jensen

Title: President

Date: October 3, 2014

**EXHIBIT A**  
**Description of Consulting Activities**

**Nature of Services:**

1. Consultant will provide personnel and staff consultations to Company upon Company's request;
2. Consultant will print the daily music logs for the radio station until Company advises otherwise;
3. Consultant will audition new music and provide his recommendations for addition to the radio station's playlist;
4. Consultant will advise Company on general engineering at the radio station;
5. Consultant will participate, upon request, in weekly transmitter site visit and equipment checks;
6. Consultant will participate, upon request, in recording commercial and weather breaks, Monday through Friday, 6:00pm to 10:00pm;
7. Consultant will allow continued use of the John Doremus show at radio station;
8. Consultant will assist in the selection and design of new radio station studios, as requested by Company; and
9. Consultant will advise Company regarding the move of the radio station's equipment to a new studio site, upon request.